

BEST PRACTICE GUIDE

# Driving customer engagement

Your guide to growing customer relationships



# Generating customer engagement

**Unlocking customer engagement takes time, and trust. Growing a relationship in any scenario takes time and with the digital age being so busy and complex, cutting through the noise and forging a meaningful relationship with your customers isn't a simple task.**

Not all engagement is easy to track. Engagement is not to be confused with interactions. You can see interactions such as if an email has been recieved and clicked on, but you can't see if it raised a smile, left a positive impression, or left no impression at all.

The feelings created by our communications are, as yet, not tangibly measurable. But it is these feelings which play a huge part in customer loyalty and other, more traditional, marketing methods such as word of mouth.

In this guide we explore the three key pillars of customer engagement. Discussing the areas you should focus on in order to grow trust and engagement with your customers. We will show you how to engage with your customers in a more meaningful way to create loyalty that lasts.

## What does customer engagement actually mean?

Customer engagement is attracting and influencing customers in order to retain their attention and encourage them to participate with your brand, and become an advocate too.

This relationship is built along the customer journey at various touchpoints and experiences, rather than transactions.

Calculating engagement is difficult – although not impossible. Businesses tend to base their calculation on lead scoring, NPS scores and survey responses, the number of opportunities generated, or maybe database growth.

These are all ways you can gain some insight, but genuine customer engagement is best demonstrated when customers eagerly promote or defend your brand to their peers. To achieve this, you've got to deliver consistently valuable customer experiences.

Trust and word of mouth are the most valuable assets in your ability to grow customer engagement and generate sales. Technology, particularly communication and social platforms, has amplified the customer's voice. They can now share their experiences – the good and the bad – en masse. Expectations have been reset, brand loyalty is waning, and brands now need to engage customers in a deeper, more meaningful way. 73% of consumers say a good experience is key in influencing their brand loyalties.<sup>1</sup>

## Engage customers at every level

We all know that as a marketer you're working tirelessly to convert indifferent consumers into brand advocates. That's why in this section we're providing you with some smart customer engagement tactics to help you achieve this goal.

Customer engagement is a persuasion game – to nurture prospects into customers, you need to tap into every layer of the consumer psyche:

### 1. Emotion

### 2. Rationale

### 3. Ethics

These make up the three key pillars of customer engagement; each are important for cementing customer loyalty. Emotional marketing secures **trust**, while rational marketing locks in **commitment** for sales. As your customers start buying your products, you should be engaging them on an ethical basis (emotional and rational marketing remains continuous). Communicating your brand's virtues will help nurture customers into **promoters**.

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<sup>1</sup> <https://www.pwc.com/future-of-cx>

# 1. Trust-building

**In our increasingly data-driven world, customers are becoming more and more aware of what data they're sharing, and wishing to retain some anonymity and privacy. This is perhaps the most frustrating challenge for marketers. Identifying who is willing to buy only becomes clear once people start interacting with emails, viewing products and participating in social media campaigns.**

To kick-start these engagements, you'll need to relay messages that communicate authenticity to customers. You've got to deliver something that inspires them to make a positive conscious action. Only then can you set them on the path to conversion.

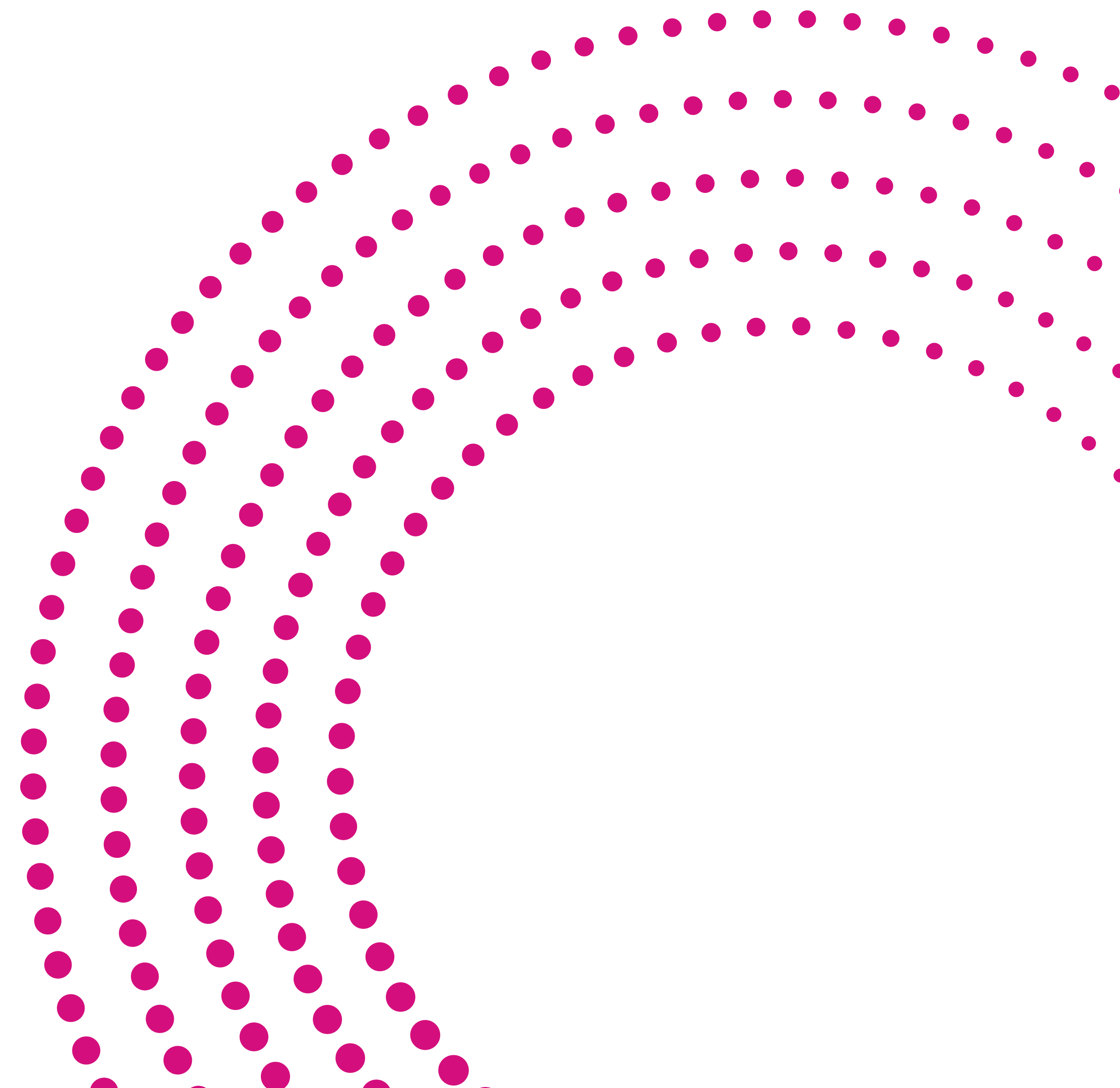
It's all about making an offer of trust at your debut; building on this, you'll start nurturing customers who feel emotionally connected to your brand. 70% of buying experiences are based on how customers feel they are being treated.<sup>2</sup> Providing emotive customer experiences will increase purchase frequency, customer participation and social proof.

## Inspire emotions to engage customers

As human beings our decisions are influenced by our feelings. That's why rousing emotions in customers is a powerful selling technique. To get customers to invest emotionally, brands need to portray themselves as credible through their communication channels. Once customers feel a connection and their confidence is earned, they'll purchase more frequently and promote your brand to their peers.

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2. <https://www.linkedin.com/pulse/customer-engagement-stats-2017-dean-lightbody/> (McKinsey, 2017)





# Design beautiful emails

The first thing you want to do as an email marketer is generate a positive instinctive response from the reader. Design carries most of the weight and strong visual appeal will set you apart from the rest. Let your color palette intertwine with copy, and make sure those social links and CTAs are clear as day.

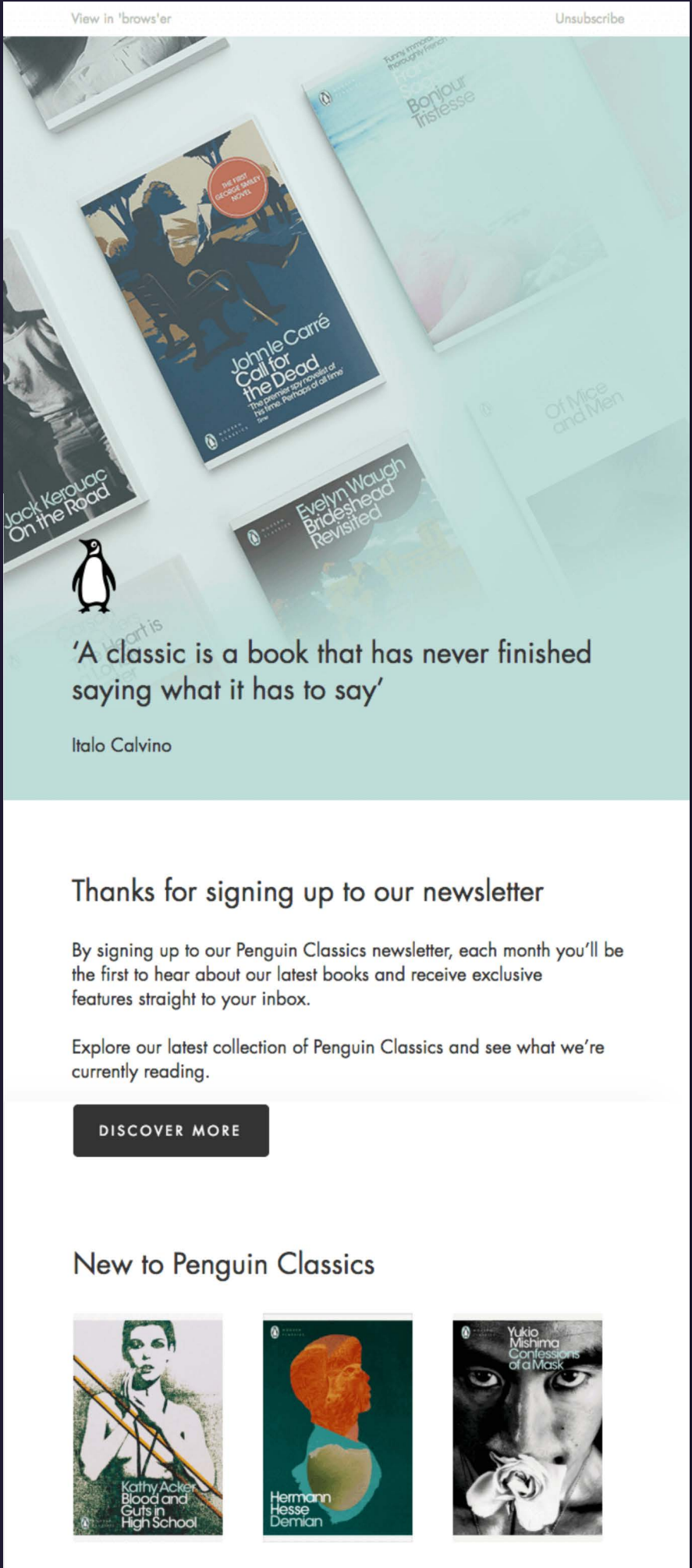
Ensure your templates are designed for mobile, too. You’re likely to build interest and generate engagements while consumers are on the go. Mobile commerce sales were already at 70.4% in 2020, which is almost three-quarters of the total market share. According to experts’ predictions, m-commerce will continue to grow.<sup>3</sup> So, being mobile-first is decisive in stirring customer engagement

**Penguin Classics** keeps it neat and tidy. The effective layout manages to organize a lot of information into a clean and well-balanced design. Content is beautifully laid out and easy to consume.

# Personalize your message

The goal of every marketer is to connect with customers in a way that promotes loyalty and increases sales. 74% of marketers say targeted personalization increases engagement;<sup>4</sup> a first-name greeting, albeit a fairly simple tactic, can put a smile on your customer’s face and prompt them to act.

Women’s clothing retailer, **Loft**, champions first-name personalization with its slick use of liquid script. This practice is super effective during seasonal holidays such as Black Friday and Cyber Monday.



3. <https://www.statista.com/statistics/806336/mobile-retail-commerce-share-worldwide/>

4. Why Personalization Matters: How to Prove You Know Your Audience, Global Web Index, 2018

## Tell, don't sell

Narrative is important for creating brand relevance. Millennials in particular react much better to emotive marketing than pure sales advertisements. They want to be enchanted by your storytelling.

It's your job as a marketer to activate memories, feelings and desires. Every customer is going to be different, so use dynamic content to tell different stories to different personas, depending on your data. Relevancy is key; to successfully engage your recipients, they have to imagine themselves in the scene you're setting.

For B2Bs, the way to do this is through different use cases perhaps based on industry or job role characteristics. For B2Cs, it's important to fantasise your message; for instance, during the holidays retailers aim to evoke warm memories of winter and enjoyable moments at Christmastime.

Anniversaries are great stories to tell. **JetBlue** celebrates the one-year anniversary of its email relationship with subscribers. This is a great tactic to get recipients to empathize with your brand. In this case, JetBlue inspires engagement by painting a bigger picture: beaches, mountains - adventure.



## Use social proof

Businesses earn social proof when they put their customers first. To warrant this kind of social engagement, brands need to portray themselves as authentic and personable.

The important thing is to let the customers do the talking. Ratings, testimonials and user-generated content (UGC) are great ways to spark an emotional interest in your brand and encourage word of mouth.

Share your endorsements, highlight what others are purchasing and be sure to name-drop famous customers. Shout about any awards you've won too.

**Museum of Ice Cream** is a professional storyteller. The brand is committed to emotionally engage customers and share their inspirational stories. This example showcases some nice UGC – a happy customer sharing their great experience.





## 2. Commitment-building

People who've started to actively engage with your brand need to be convinced of your products and services. They've reached a level of trust where they're willing to hear you out, so now's the time to appeal to reason. Position your product as the solution to their problem.

B2Bs may be more inclined to market rationally, but this tactic can fall flat in the real world. All buyers are humans after all. B2Bs, like B2Cs, should opt for a healthy balance of emotional and rational marketing techniques.

### Drive rational decision-making

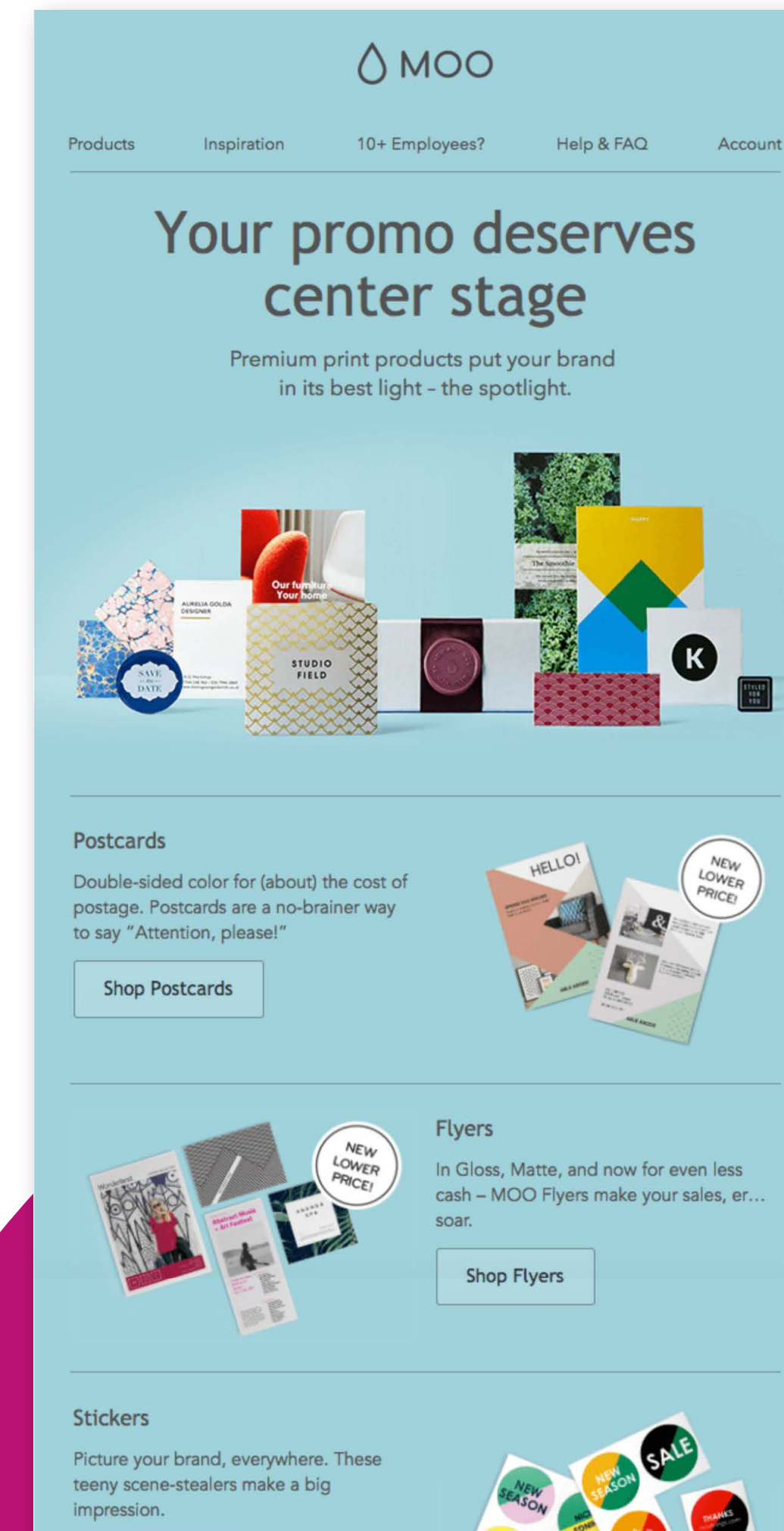
Where impulse can mislead, logic isn't so easily fooled. So, while emotional engagement evokes senses of desire, rational engagement is also needed to consolidate emotions with reasoning. It's the sobering effect that spurs buying intent from consumers and ultimately leads to a decision being made.

### Position your product to meet a need or desire

The purchasing decision depends on how your product fulfils the needs of individual consumers. 53% of consumers rate quality as the most important factor when making a purchase compared to price (38%).<sup>5</sup> Focusing on features and their benefits will help convince the consumer's rationale. Content needs to be both relevant and reassuring. Customers need to imagine where they will be once they consume your content or buy your products. It's all about building a dream and then making it reality.

**Moo** tells the dream of the spotlight, something every marketer wants for their brand. Customers are inspired by visualizing how they can build their brand through tasteful, professional prints.

5. <https://www.firstinsight.com/press-releases/quality-more-important-than-price-study>





## Use data to segment your audiences

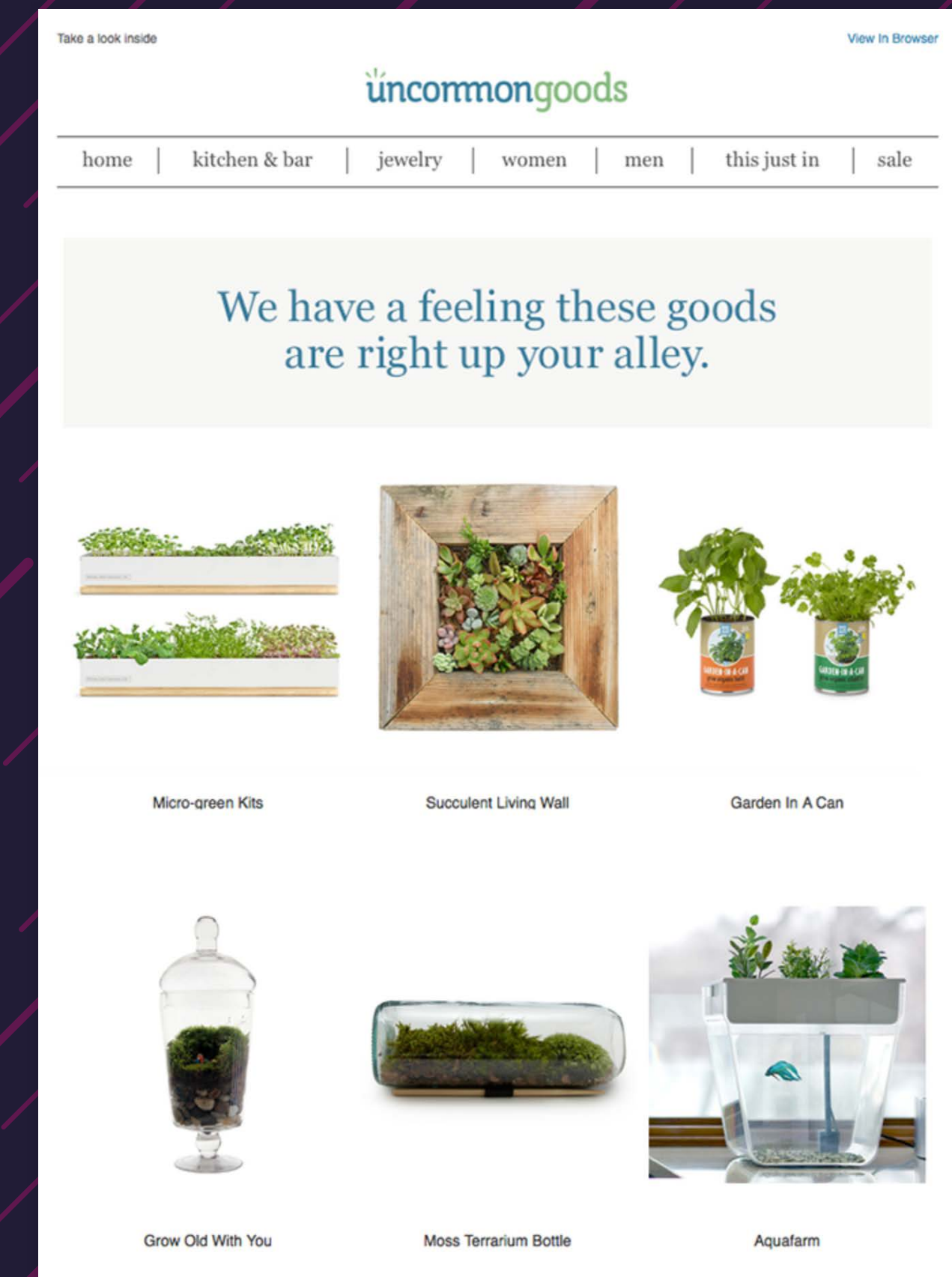
While storytelling matters, you do need to focus on the bare bones of your product. Specifically, you need to tailor them to the personas, preferences and behaviors of your customers. Rational marketing comes down to precise audience segmentation; there should always be reasoning behind the message of every customer communication.

Tailoring the message improves the probability of engagement. The knock-on effect is increased customer satisfaction, retention and cross-selling/upselling. 91% of consumers are more likely to shop with brands who recognize and provide relevant recommendations; plus, 83% are willing to share their data to make this possible.<sup>6</sup> In the long run, a customer engaging with highly relevant content is more likely to become a brand promoter.

To achieve this level of engagement you'll need to capture actionable data and use it to customize your content.

- Segmenting based on explicit preferences enables you to power dynamic content in your email campaigns.
- Tracking implicit data such as online activity allows you to recommend highly relevant products.

**Uncommon Goods**, who sells creative gifts online, segments subscribers based on their browsing behavior. Pushing these hyper-relevant products in email maximizes the rational response from recipients, since content is generated from past actions.



## Leverage different channels

Armed with a mobile device, shoppers can choose to communicate with brands on their terms. As marketers, it's our job to select the channel that's right for them. While email can't be topped in terms of marketing ROI (\$36 for every \$1 invested),<sup>7</sup> other options such as SMS and push can help spur rational engagement. Let's take SMS as an example. It's perceived by customers as a direct and effective service-based communication channel; that means messages tend to resonate quickly and logically with recipients. People are more likely to engage instinctively.

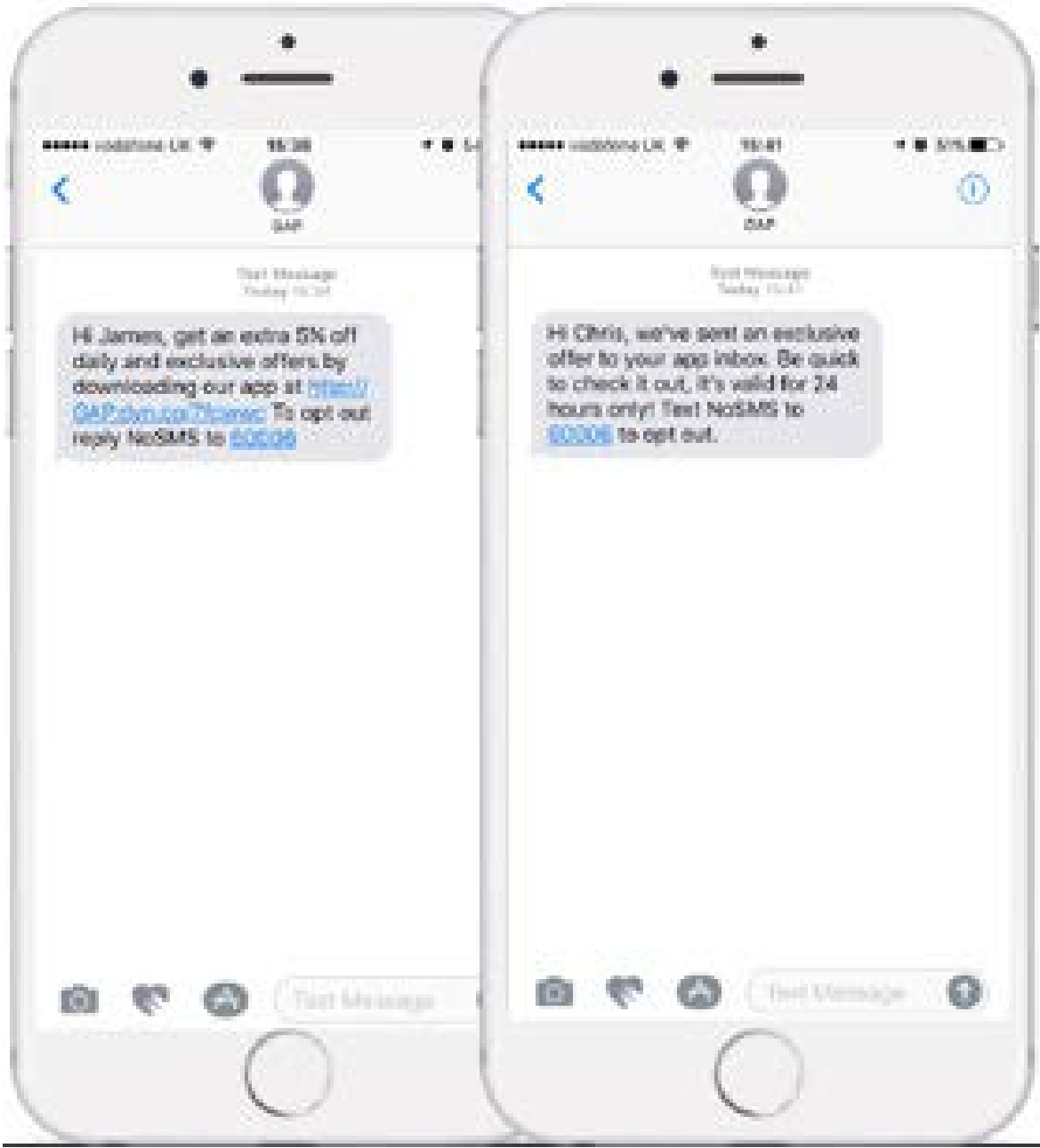
It's no surprise that SMS has an unbeatable open rate of 98% and a response rate of 45%.<sup>8</sup> Consumers trust this channel. And for brands, there's a real opportunity to build credibility and generate rational engagement. For example, fast and direct communications about a pending delivery helps to secure the loyalty of customers.

Sending highly contextual and timely SMS messages, such as customer feedback notifications, dispatch notes or appointment reminders, can instil consumer confidence in your brand.

**Dixons Carphone** triggers timely nudges via SMS that confirm orders and deliveries. The brand uses the channel to prompt two-way communication, should the customer have any queries about their purchase.



**GAP** uses SMS marketing to drive app usage; the retail giant temps subscribers to download its app in exchange for an exclusive offer.



7. The ROI of email marketing, Litmus, 2021  
8. <https://www.gartner.com/smarterwithgartner/tap-into-the-marketing-power-of-sms/>



## Drive context through lifecycle automation programs

Lifecycle marketing automation is about taking your customers on a journey. It provides a logical framework for brands to communicate context through highly reassuring content. Depending on where the customer is in their journey, they'll receive information that's relevant to them in real time. These communications cement customers' commitment as they deliver joined-up experiences that make sense and raise no eyebrows.

**charity: water** uses automated emails to show donors how and where their money is making an impact over time. Many nonprofits don't communicate this journey to supporters after their donation. The great thing about this example is that it satisfies both the emotional and rational psyches of the donor – the well-designed, personalized email tells a wonderful unique story that's reinforced by context.

**EasyJet's** 20-year anniversary campaign is probably the envy of every data-driven marketer. The budget carrier, amassing the data of each individual passenger, delivers a unique summary of everyone's journey with the airline.





# 3. Promotion-building

**A happy customer doesn't instantly become a promoter; for that to occur, they've got to experience a sentimental connection with your brand. Remember, customers love companies who show they care for something more than their bottom line.**

Every brand should act on their social and environmental values. As marketers, you can communicate these actions with a really meaningful message, one that profoundly resonates with, and impacts, people. By putting ethics before profit, you can inspire customers to be the most ardent of promoters. They'll drive your word of mouth and help spread trust.

## Lead the charge on ethics

To foster advocacy – the kind of customer loyalty that lasts a lifetime – you need to go beyond the pure materialistic view of the world and acknowledge the bigger picture.

How is your brand going to improve it?

66% of consumers are willing to spend more money with an ethical business.<sup>9</sup> What's more, 92% of millennial consumers are more likely to buy products from ethical companies.<sup>10</sup> It's important to demonstrate commitment not only to your customers, but to your employees, partners and society as a whole. Talk about your active charity work, sustainability, and define your Corporate Social Responsibility.

This kind of engagement is no longer optional; customers will expect brands to be champions of the greater good and engage in ethical conversation.

If you're doing good things, make sure your customers know about it. Don't be afraid to shout about it. We recommend having a sustainability statement block present in all of your campaigns. We've made it super easy to create and reuse, you can learn how to do this here.

### What is ethical marketing?

- Transparency and accountability
- Fair trade practices and promotion
- Fair payment
- No discrimination; gender equality and freedom of association
- Good working conditions
- Respect for the environment
- Capacity building

You need to not only put across how your products benefit customers, but how they benefit society or the environment as a whole. Only then will you start engaging at an ethical level.

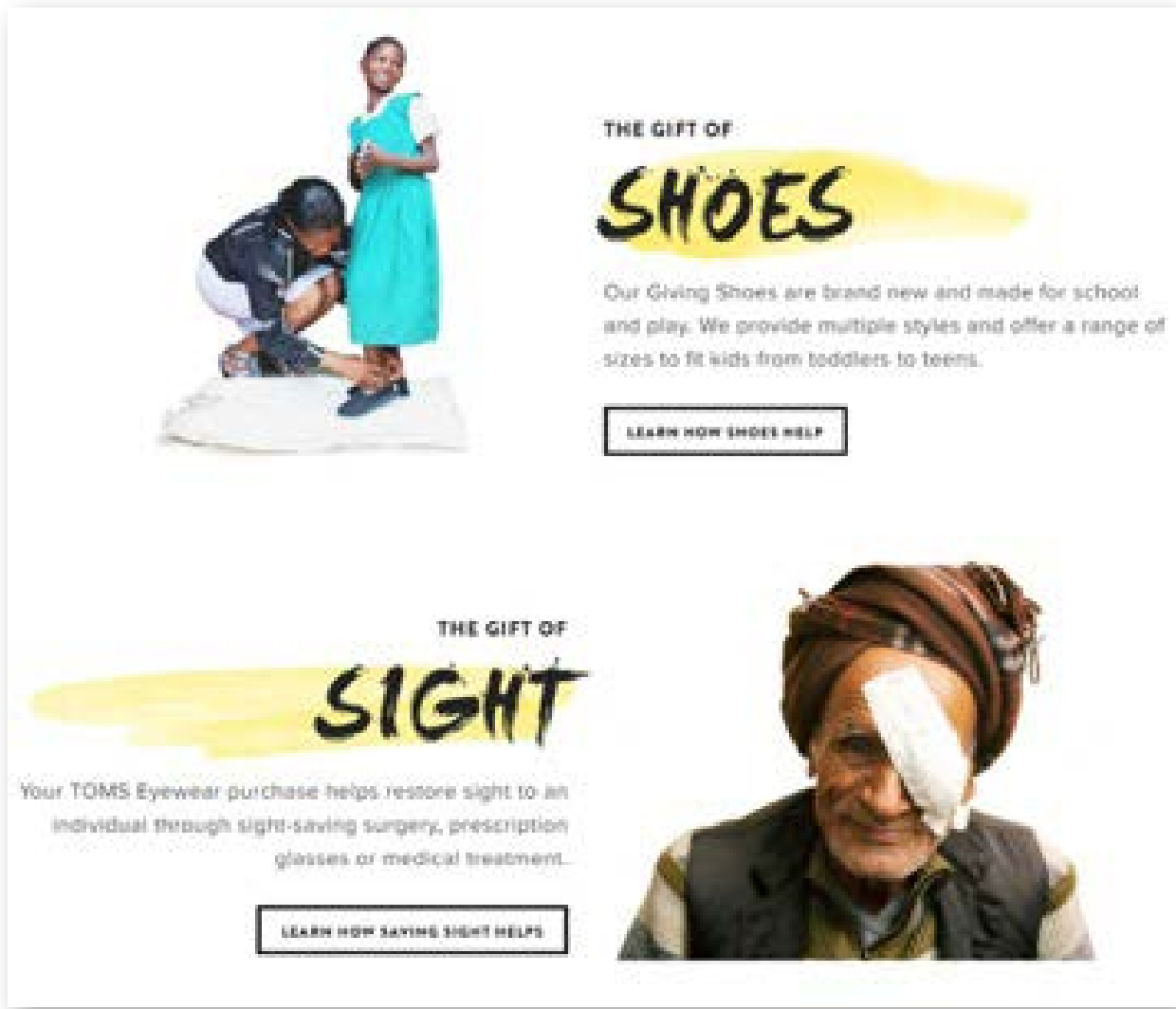
9. <https://www.mycustomer.com/experience/loyalty/the-only-way-is-ethics-study-reveals-the-role-of-ethics-in-customer-retention>

10. <https://www.wordstream.com/blog/ws/2017/09/20/ethical-marketing>

## Make a commitment and stick to it

Brands that make a commitment and stick to it will generate a sense of trust that’s bullet-proof. But avoid the term ‘giving back’ – it can come across as condescending and is an inaccurate term for charity, implying that you are returning something. Stick to ‘giving’ like TOMS does in its ‘One for One’ campaign.

**TOMS**, a global footwear retailer, has since 2006 donated over 60 million pairs of shoes to children in need all over the world. Plus, the brand’s eyewear business has given more than 400,000 pairs of glasses to visually impaired individuals who lack eyecare.



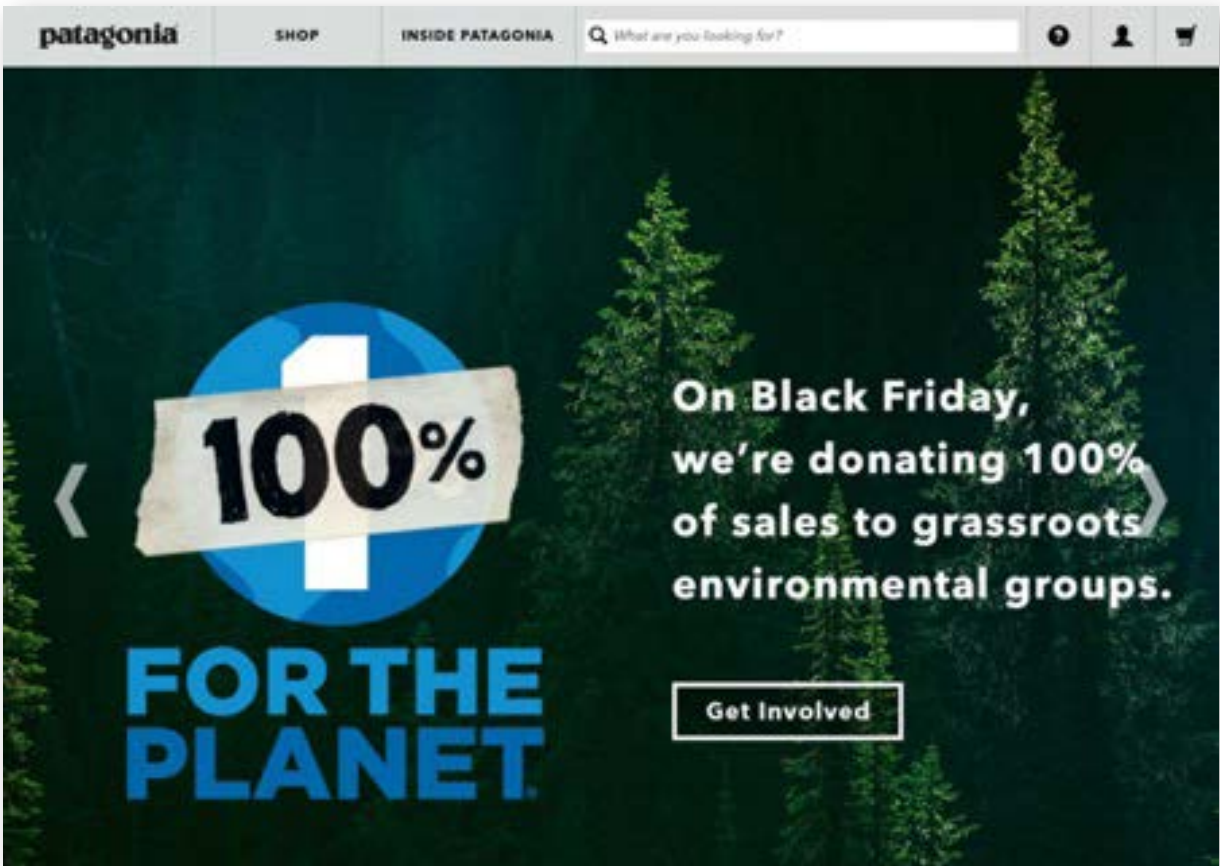
## Use holidays to inspire giving

It’s important for brands to celebrate the holidays. Anniversaries are, after all, a time for reflection and inspiration. But rather than shout about how you’ve been helping customers over the years – which isn’t that emotive – why not donate on your birthday to people in need?

It’s an effective way to inspire customers to follow suit and give on their birthdays.

Patagonia’s Black Friday campaign – 100 percent today, 1 percent every day – is a marvellous example of maximizing customer loyalty through brand ethics.

Anchoring its brand solidly in environmental activism, Patagonia is committed to undertake an offbeat, sustainability-driven approach to retail success. The brand’s sensational commitment – to fundraise for the earth – generated a record-breaking \$10 million in sales, which was donated directly to grassroots environmental nonprofits.





## Make customers feel after they've purchased

A compelling aftersales moment can impart esteem between customers and brands. Your purchase has made a positive difference to someone worse off than yourself - that's powerful marketing.

**Madlug** trades in luggage that makes a difference. The brand is committed to helping children in care carry their lives with dignity. That's why after every purchase a bag is given to a child in need. These kids can then put all of their worldly belongings in a real bag and not a trash bag.

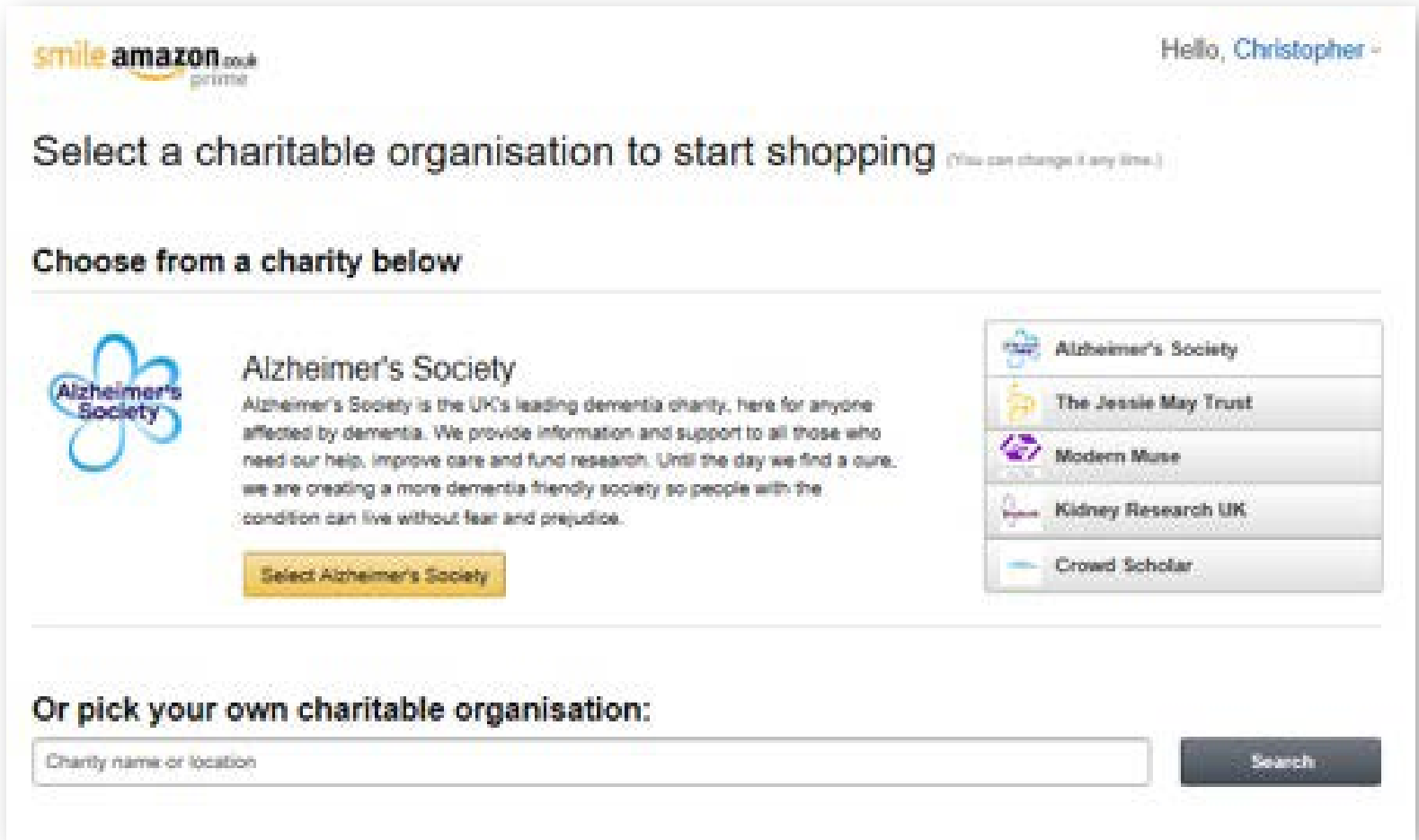


## Make it about more than just a transaction

Promoters tend to advocate brands off the back of a special experience. They want to partake in something greater than a business transaction. Customers will be delighted at the thought of their purchase helping others in need. They'll return their custom and, having felt something meaningful, will recommend the brand to peers.

Whether it's on your homepage or product pages, in email or on social, communicating your ethical activities will always draw attention; because your actions speak louder than your words.

**AmazonSmile** gives 0.5% of the net purchase price on orders to the charitable organization of the customer's choice. Rather than omitting customers from the donation process, the ecommerce giant facilitates a meaningful connection with them at every transaction.





# Customers buy brands not products

## An authentic narrative will always inspire customer action

Customers today pay much more attention to businesses who have a story to tell. Be sure to connect with your customers on different levels in order to grow a relationship that’s stronger than a typical consumer/seller dynamic. Customers have so much choice these days, and social consciousness is at an all time high, meaning a brand that a customer can relate to and admire is the brand they will choose time and time again.

Engagement is the result of a good story. Tapping into customers’ emotional, rational and ethical selves is the formula for a perfect brand proposition - one that feels right, makes sense and conveys compassion.



# Growing with Dotdigital

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